

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT


APPLICATION FOR PERMIT TO DRILL OR REENTER

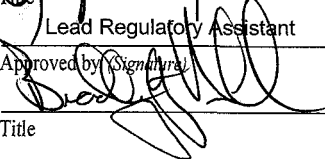
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit
3a. Address 1060 East Highway 40, Vernal UT 84078		8. Lease Name and Well No. Chapita Wells Unit 1182-03
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-39584
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 680 FNL & 1908 FEL 40.070383 Lat 109.422864 Lon ^{NWNE} 109.422876 At proposed prod. zone Same ^{634491X} ^{4436547Y} ^{40.070352} ^{-109.422876}		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde
14. Distance in miles and direction from nearest town or post office* 35.9 Miles South of Vernal, UT		11. Sec., T. R. M. or Blk. and Survey or Area Section 3, T9S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 680	16. No. of acres in lease 2558	12. County or Parish Uintah
17. Spacing Unit dedicated to this well Suspended	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1160	19. Proposed Depth 10,070	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4800' GL	22. Approximate date work will start*	23. Estimated duration 45 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/20/2007
--	--	--------------------

Title Lead Regulatory Assistant		
Approved by (Signature) 	Name (Printed Typed) BRADLEY G. HILL ENVIRONMENTAL MANAGER	Date 08-29-07
Title		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

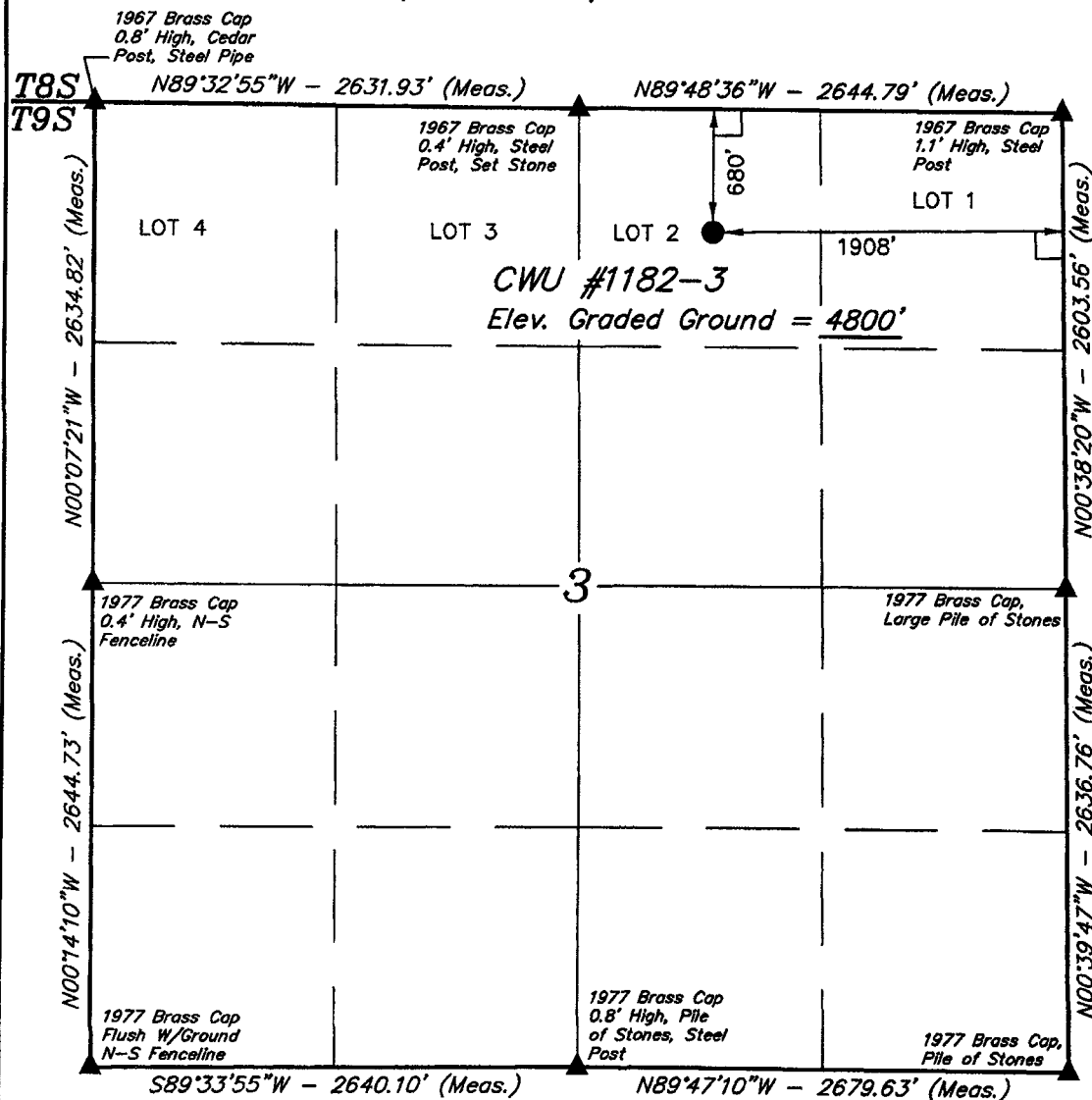
(Continued on page 2)

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

RECEIVED
AUG 22 2007
DIV. OF OIL, GAS & MINERALS

T9S, R22E, S.L.B.&M.



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

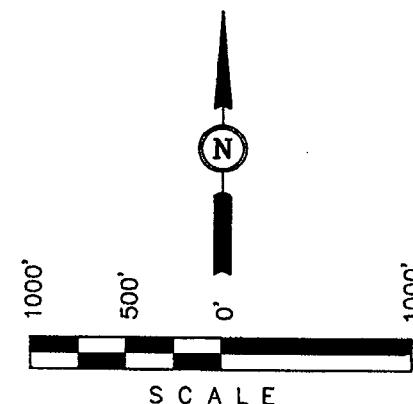
(NAD 83)
LATITUDE = 40°04'13.25" (40.070347)
LONGITUDE = 109°25'24.77" (109.423547)
(NAD 27)
LATITUDE = 40°04'13.38" (40.070383)
LONGITUDE = 109°25'22.31" (109.422864)

EOG RESOURCES, INC.

Well location, CWU #1182-3, located as shown in the NW 1/4 NE 1/4 (Lot 2) of Section 3, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 761319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-04-06	DATE DRAWN: 01-06-06
PARTY T.A. J.H. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03 NW/NE, SEC. 3, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,117		Shale	
Wasatch	5,129		Sandstone	
Chapita Wells	5,741		Sandstone	
Buck Canyon	6,411		Sandstone	
North Horn	7,137		Sandstone	
KMV Price River	7,743	Primary	Sandstone	Gas
KMV Price River Middle	8,520	Primary	Sandstone	Gas
KMV Price River Lower	9,290	Primary	Sandstone	Gas
Sego	9,864		Sandstone	
TD	10,070			

Estimated TD: 10,070' or 200'± below Sego top

Anticipated BHP: 5,500 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	P-110	LTC	7560 PSI	10,710 Psi	284,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03 **NW/NE, SEC. 3, T9S, R22E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03
NW/NE, SEC. 3, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **162 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: **960 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03
NW/NE, SEC. 3, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

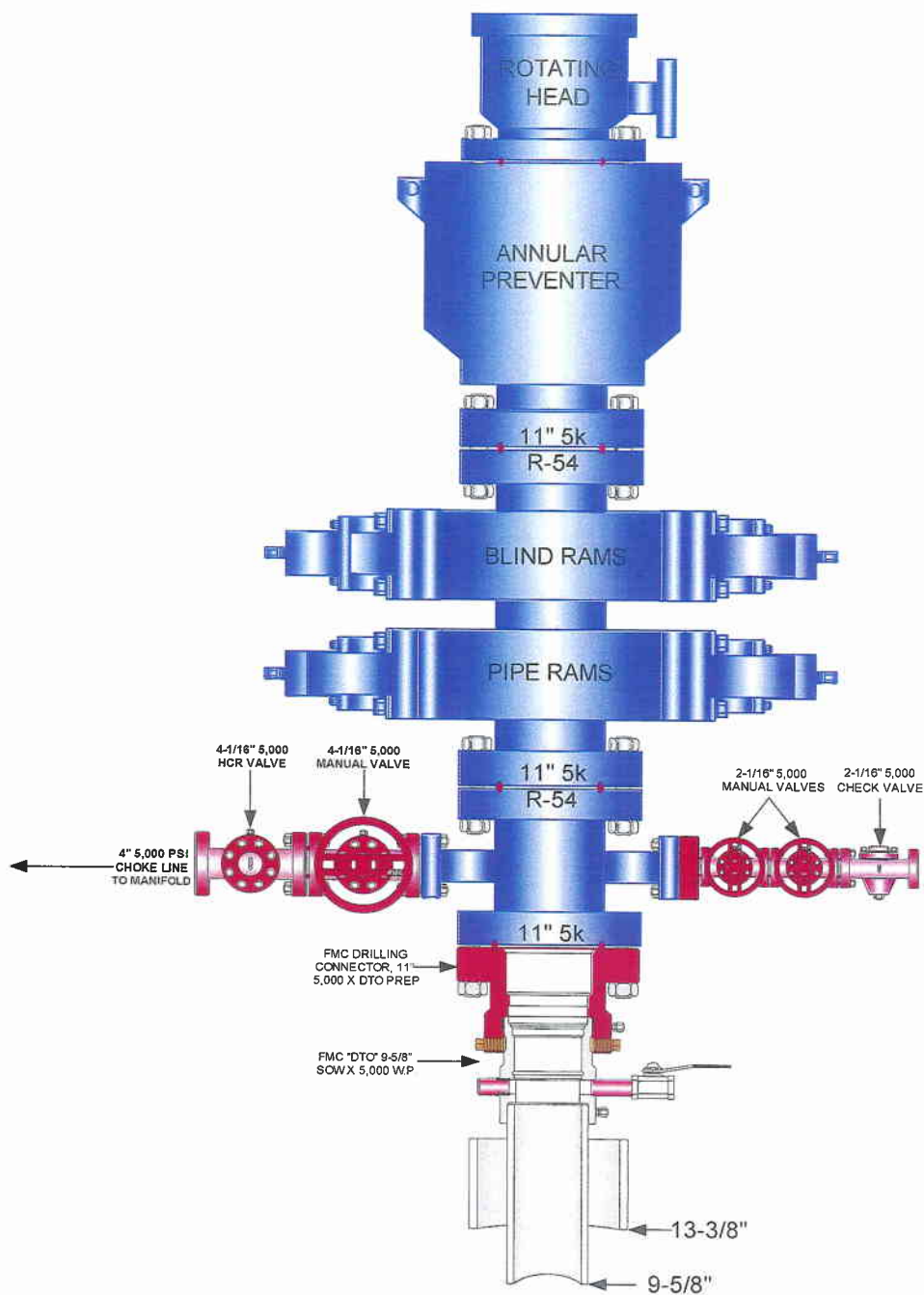
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

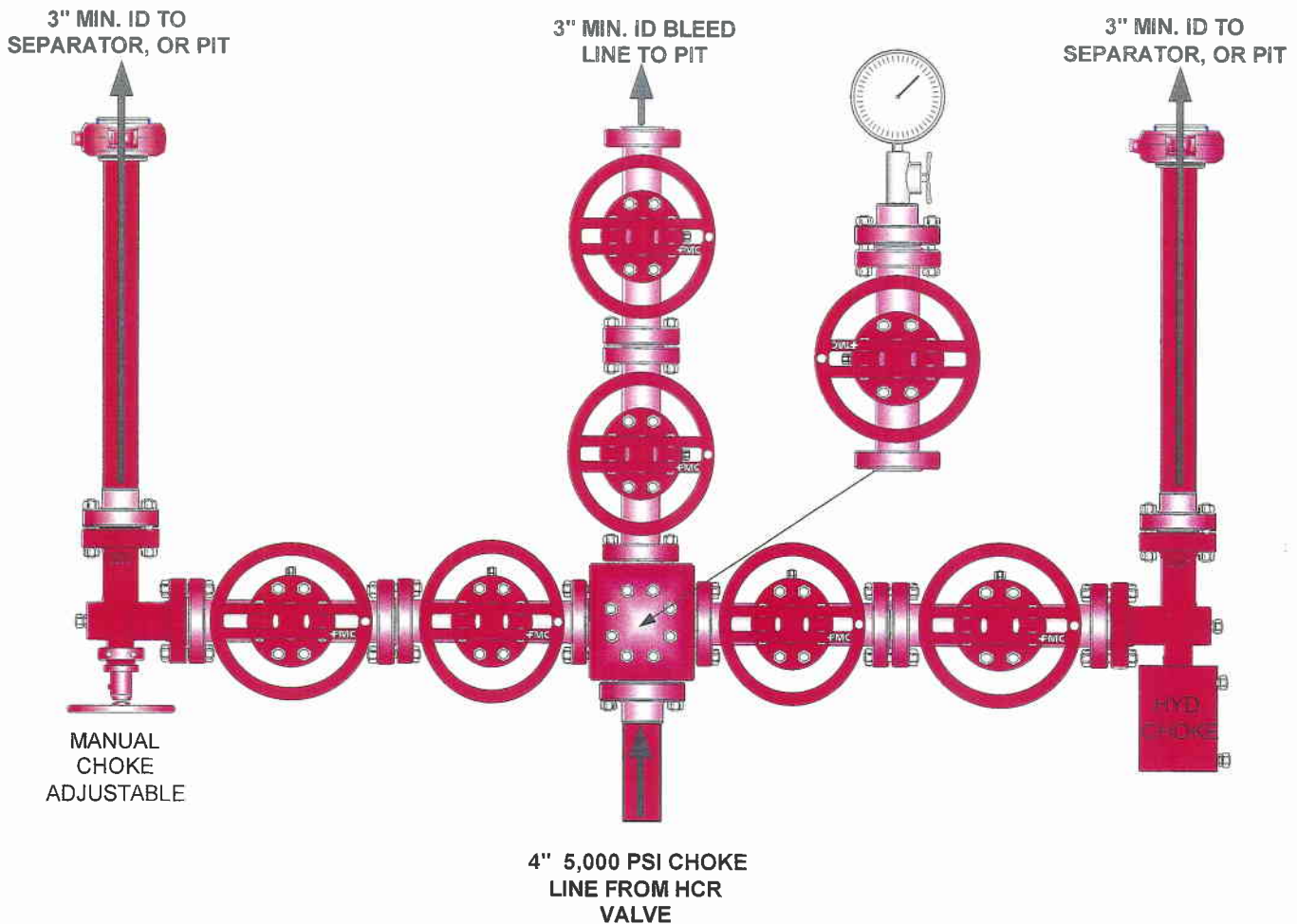
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



***Chapita Wells Unit 1182-03
NWNE, Section 3, T9S, R22E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. New surface disturbance associated with the well pad is estimated to be approximately 1.84 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 35.9 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The existing access road for Chapita Wells Unit 643-3 will be used to access the proposed location. No new access road will be required.
- B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl and/or one (1) 300 bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. No new off pad pipeline will be required. Existing pipeline for CWU 643-03 will be used to transport gas from the proposed location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold

planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the Northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protect of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours – See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	6.0
Indian Ricegrass	6.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Fourwing Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will

assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied, as needed, to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on April 23, 2007. A paleontological survey was conducted and submitted by Intermountain Paleo on April 26, 2007.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

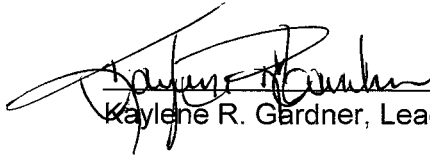
CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1182-03 Well, located in the NWNE, of Section 3, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 20, 2007

Date



Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.

CWU #1182-3

LOCATED IN UTAH COUNTY, UTAH

SECTION 3, T9S, R22E, S1..B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

435-789-1017 uels@uelsinc.com

SINCE 1964

LOCATION PHOTOS

01 17 06
MONTH DAY YEAR

PHOTO

TAKEN BY: T.A.

DRAWN BY: B.C.

REVISED: 00-00-00

EOG RESOURCES, INC.

CWU #1182-3

SECTION 3, T9S, R22E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 4.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN EASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE CWU #643-3 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 35.9 MILES.

EOG RESOURCES, INC.

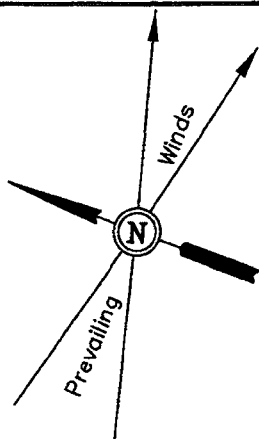
LOCATION LAYOUT FOR

CWU #1182-3

SECTION 3, T9S, R22E, S.L.B.&M.

680' FNL 1908' FEL

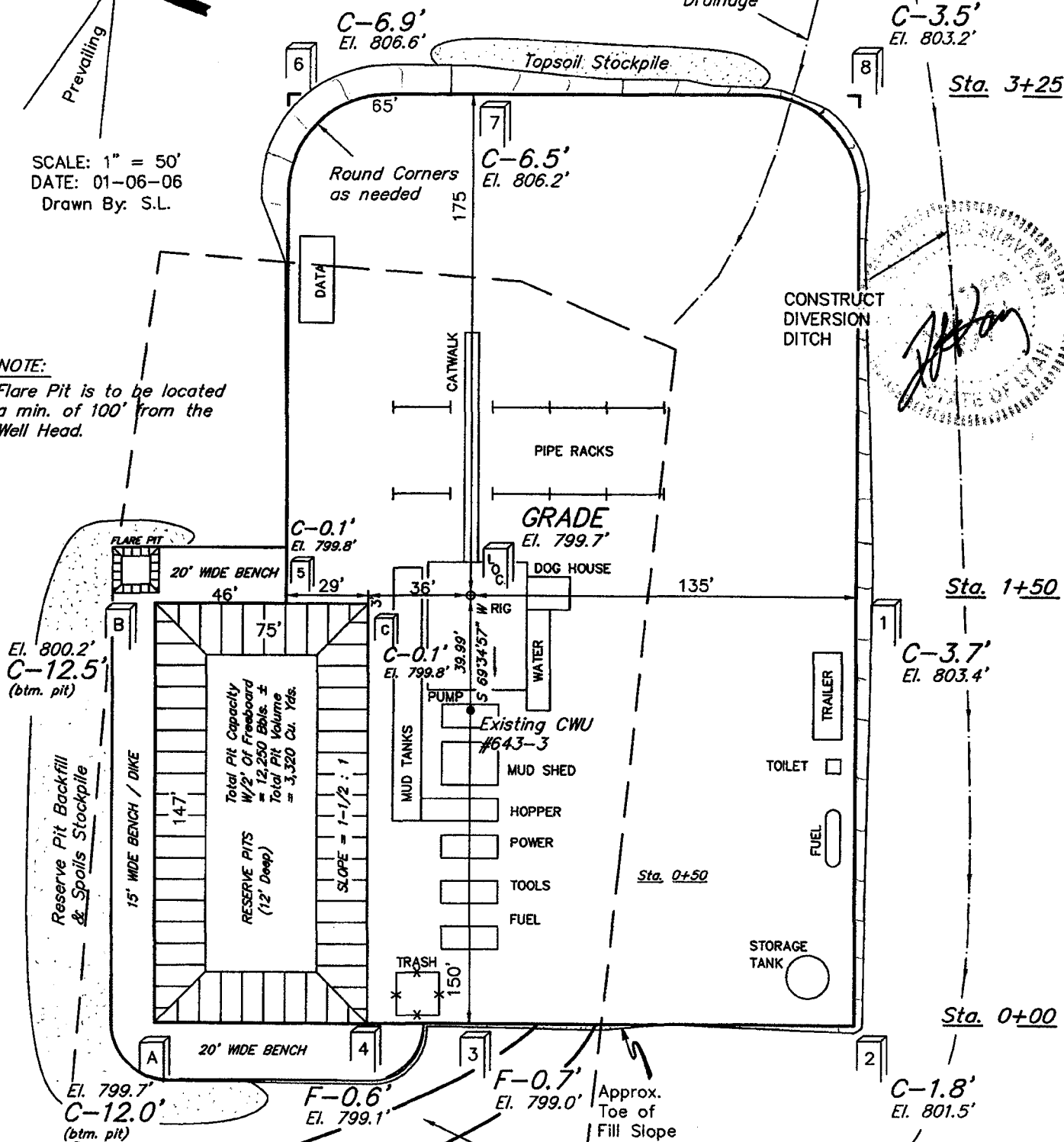
Existing
Drainage



SCALE: 1" = 50'
DATE: 01-06-06
Drawn By: S.L.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4799.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 4799.7'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

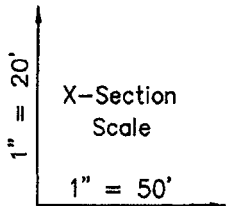
FIGURE #2

TYPICAL CROSS SECTIONS FOR

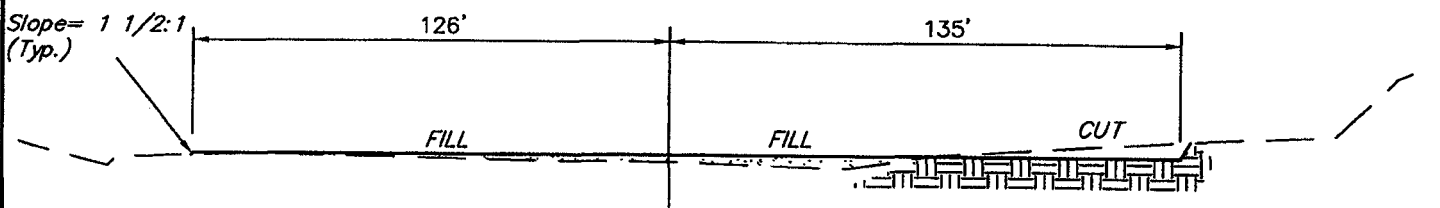
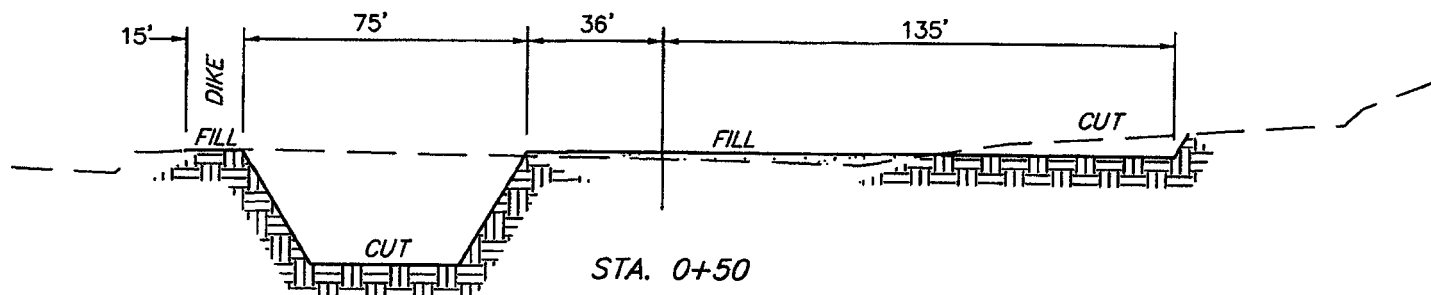
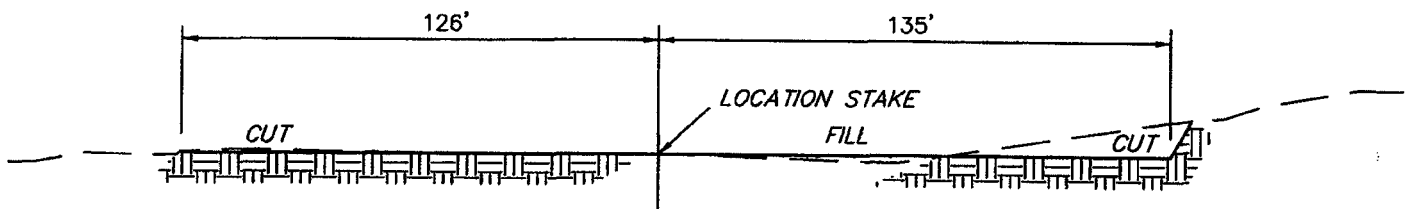
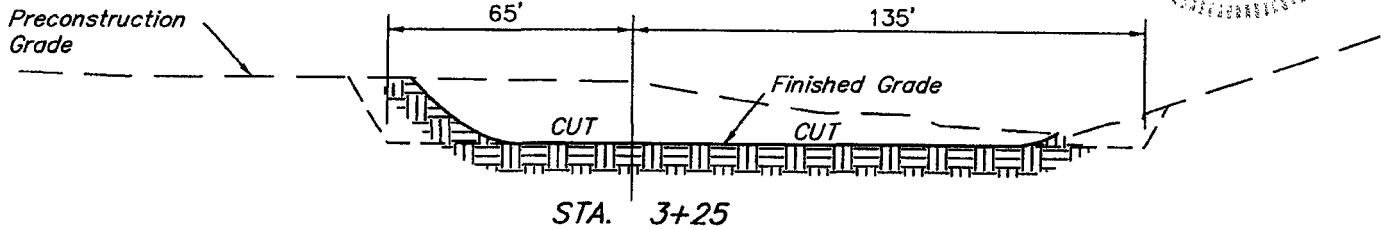
CWU #1182-3

SECTION 3, T9S, R22E, S.L.B.&M.

680' FNL 1908' FEL



DATE: 01-06-06
Drawn By: S.L.



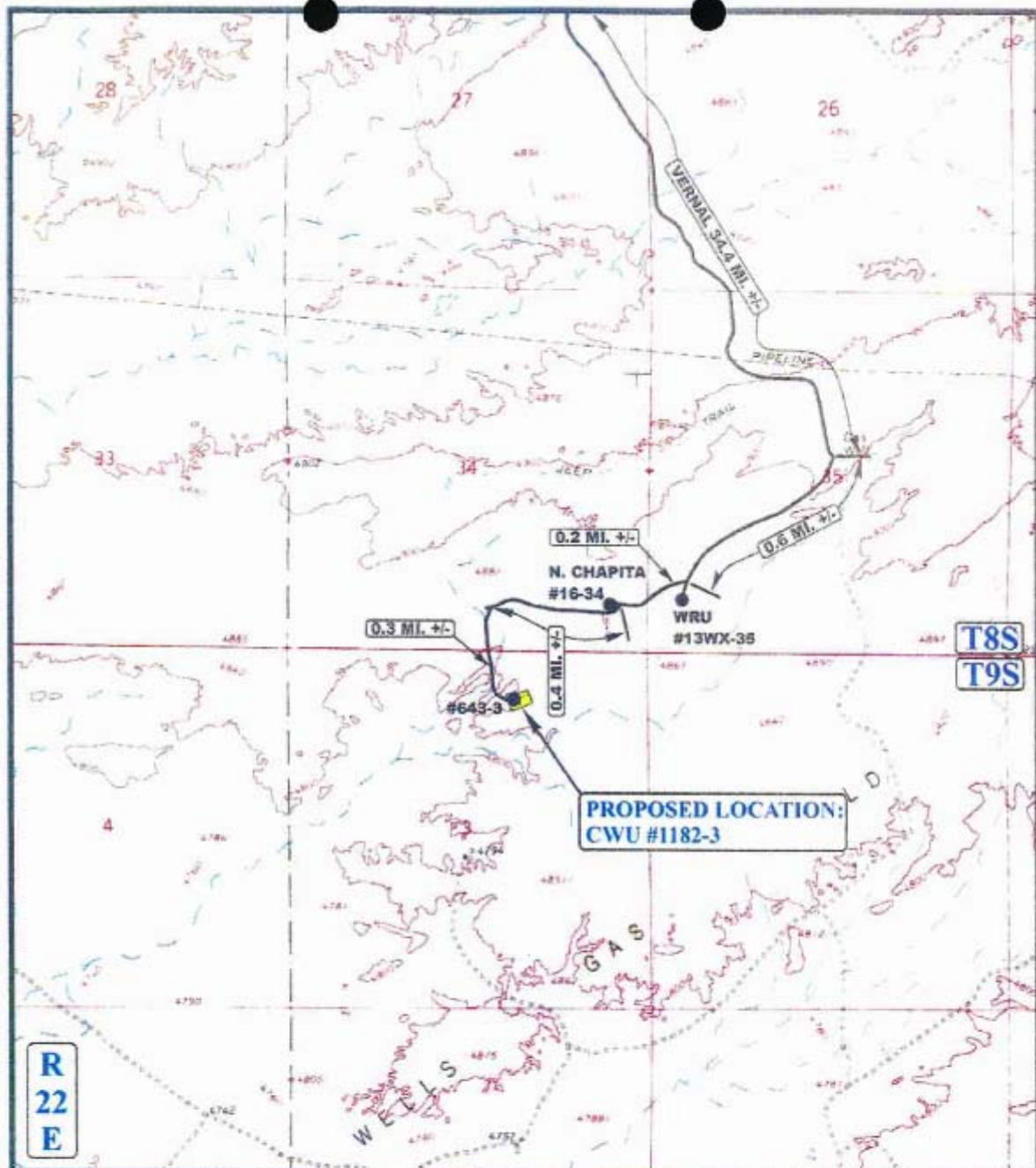
* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	= 600	Cu. Yds.
(New Construction Only)		
Remaining Location	= 5,380	Cu. Yds.
TOTAL CUT	= 5,980	CU.YDS.
FILL	= 850	CU.YDS.

EXCESS MATERIAL	= 5,130	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,260	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 2,870	Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

— EXISTING ROAD
 - - - PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1182-3
 SECTION 3, T9S, R22E, S.L.B.&M.
 680' FNL 1908' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 • FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

01 17 06
 MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00

**PROPOSED LOCATION:
CWU #1182-3**

**T8S
T9S**

**R
22
E**

LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

**U
E
S**

Uintah Engineering & Land Surveying
88 South 200 East Vernal, Utah 84078
(435) 789-1017 • FAX (435) 789-1813



EOG RESOURCES, INC.

**CWU #1182-3
SECTION 3, T9S, R22E, S.L.B.&M.
680' FNL 1908' FEL**

**TOPOGRAPHIC
MAP**

01 17 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00

**C
TOPO**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/22/2007

API NO. ASSIGNED: 43-047-39584

WELL NAME: CWU 1182-03

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

NWSE 03 090S 220E

SURFACE: 0680 FNL 1908 FEL

BOTTOM: 0680 FNL 1908 FEL

COUNTY: Uintah

LATITUDE: 40.07035 LONGITUDE: -109.4229

UTM SURF EASTINGS: 634491 NORTHINGS: 4436547

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0281

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-225)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

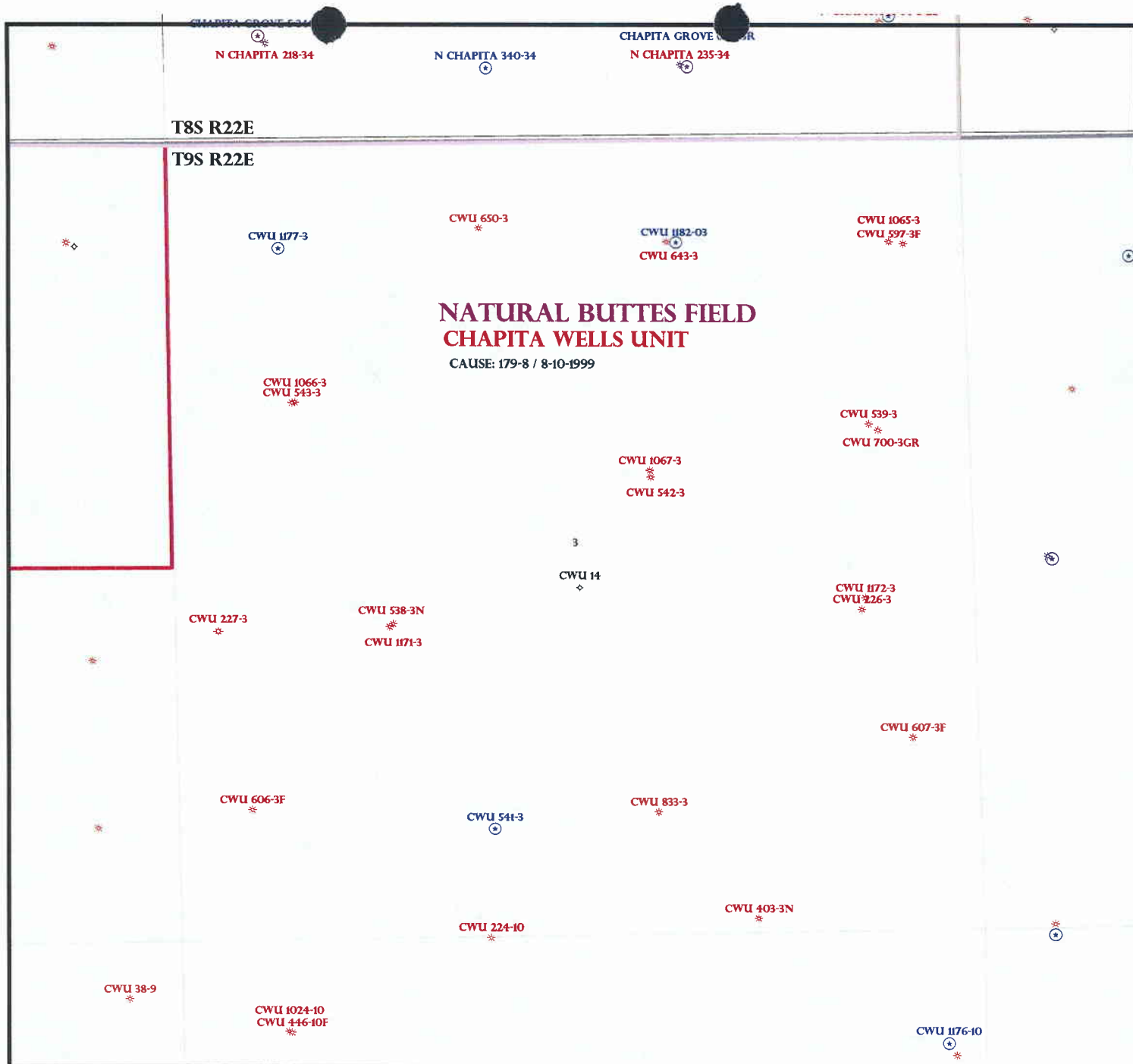
LOCATION AND SITING:

___ R649-2-3.
Unit: CHAPITA WELLS
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 1798
Eff Date: 8-10-1999
Siting: Suspends General Siting
___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- Oil SHALE



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 3 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 27-AUGUST-2007

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 29, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2007 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch)

43-047-39582 CWU 731-32 Sec 32 T09S R23E 1046 FNL 2041 FWL

(Proposed PZ Mesaverde)

43-047-39584 CWU 1182-03 Sec 03 T09S R22E 0680 FNL 1908 FEL

43-047-39585 CWU 0977-11 Sec 11 T09S R22E 0345 FSL 0772 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-29-07



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

August 29, 2007

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

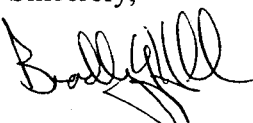
Re: Chapita Wells Unit 1182-03 Well, 680' FNL, 1908' FEL, NW NE, Sec. 3, T. 9 South,
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39584.

Sincerely,


for Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 1182-03
API Number: 43-047-39584
Lease: U-0281
Location: NW NE Sec. 3 T. 9 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
VERNAL FIELD OFFICE
AUG 21 PM 1:01
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

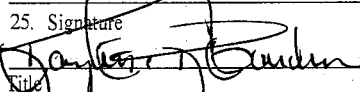
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit
3a. Address 1060 East Highway 40, Vernal UT 84078		8. Lease Name and Well No. Chapita Wells Unit 1182-03
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-39584
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 680 FNL & 1908 FEL 40.070383 Lat 109.422864 Lon Lot 2 At proposed prod. zone Same		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde
14. Distance in miles and direction from nearest town or post office* 35.9 Miles South of Vernal, UT		11. Sec., T. R. M. or Blk. and Survey or Area Section 3, T9S, R22E S.L.B. & M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 680	16. No. of acres in lease 2558	17. Spacing Unit dedicated to this well Suspended
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1160	19. Proposed Depth 10,070	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4800' GL	22. Approximate date work will start*	23. Estimated duration 45 Days

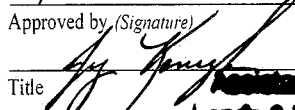
24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/20/2007
---	--	--------------------

Title
Lead Regulatory Assistant

Approved by (Signature) 	Name (Printed Typed) Jerry Kenicka	Date 3-28-2008
---	---------------------------------------	-------------------

Title
Assistant Field Manager
Lands & Mineral Resources

Office
VERNAL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

NOTICE OF APPROVAL

*(Instructions on page 2)

LOG

NOS 7/23/07
07 PP 2500 A

RECEIVED

APR 08 2008

DIV. OF OIL, GAS & MINING

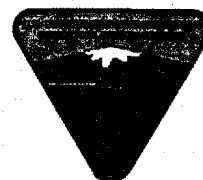


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: Chapita Wells Unit 1182-03
API No: 43-047-39584

Location: Lot 2, Sec. 3, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

6 lbs Crested Wheatgrass and 6 lbs of Indian Ricegrass

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- All the culverts will be installed according to the BLM Gold Book.
- The road and well pad will have road base on the surface.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E., "Blooie line discharge 100 feet from well bore and securely anchored". Blooie line can be 75 feet.
- Production casing cement shall be at a minimum of 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources, Inc.

Well Name: CWU 1182-03

API No: 43-047-39584 Lease Type: Federal

Section 03 Township 09S Range 22E County Uintah

Drilling Contractor Rocky Mountain Drilling Rig # Bucket

SPUDDED:

Date 6-27-08

Time 6:30 PM

How Dry

Drilling will Commence: _____

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 7-01-08 Signed RM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

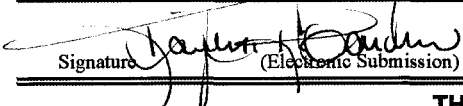
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 E HWY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 435-781-9111		8. Well Name and No. CHAPITA WELLS UNIT 1182-03
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T9S R22E NWNE 680FNL 1908FEL 40.07035 N Lat, 109.42355 W Lon		9. API Well No. 43-047-39584
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud 6/27/2008.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #61224 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) KAYLENE R GARDNER	Title LEAD REGULATORY ASSISTANT
Signature  (Electronic Submission)	Date 07/02/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED

JUL 08 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9111

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39915	CHAPITA WELLS UNIT 1124-29		SENE	29	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>KB</u>	99999	<u>13650</u>	6/30/2008		<u>7/14/08</u>		
Comments: <u>MVRD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39872	CHAPITA WELLS UNIT 964-33		SESE	33	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>KB</u>	99999	<u>13650</u>	6/27/2008		<u>7/14/08</u>		
Comments: <u>MVRD</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39584	CHAPITA WELLS UNIT 1182-03		NWNE	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>KB</u>	99999	<u>14406</u>	6/27/2008		<u>7/14/08</u>		
Comments: <u>MVRD</u>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kaylene R. Gardner

Name (Please Print)

Signature

Lead Regulatory Assistant

Title

7/3/2008

Date

(5/2000)

RECEIVED

JUL 07 2008

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

JUL 16 2008

EOG Resources, Inc.
Attn: Debbie Spears
600 Seventeenth Street
Suite 1000N
Denver, Colorado 80202

Re: Consolidated Mesaverde Formation PA
"A-X,AA-BB" Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-X,AA-BB", Chapita Wells Unit, CRS No. UTU63013BD, AFS No. 892000905B, is hereby approved effective as of June 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Consolidated Mesaverde Formation PA "A-X,AA-BB" results in an initial consolidated participating area of 15,177.63 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

To 13650

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU1171-03	43-047-37695	NE $\frac{1}{4}$ SW $\frac{1}{4}$, 3-9S-22E	UTU0281
CWU1172-03	43-047-37838	NE $\frac{1}{4}$ SE $\frac{1}{4}$, 3-9S-22E	UTU0281

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Consolidated Mesaverde Formation PA "A-X,AA-BB", Chapita Wells Unit, and the effective date.

*also 15
14 wells from entity
14406*

CWU 1182-03

4304739584 03-09S-22E

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

JUL 28 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	8. Well Name and No. CHAPITA WELLS UNIT 1182-03
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T9S R22E NWNE 680FNL 1908FEL 40.07035 N Lat, 109.42355 W Lon		9. API Well No. 43-047-39584
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

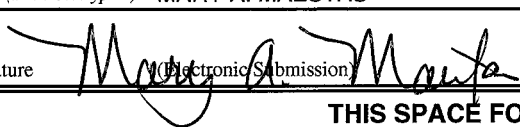
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization to change the drilling plan for the referenced well, changing the hole size to 8-3/4" for the production casing from 2300' to 5600'.

A revised drilling plan is attached.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #61736 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature  (Electronic Submission)	Date 07/28/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
JUL 30 2008

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03 NW/NE, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,120		Shale	
Mahogany Oil Shale Bed	2,741		Shale	
Wasatch	5,131		Sandstone	
Chapita Wells	5,743		Sandstone	
Buck Canyon	6,413		Sandstone	
North Horn	7,139		Sandstone	
KMV Price River	7,743	Primary	Sandstone	Gas
KMV Price River Middle	8,522	Primary	Sandstone	Gas
KMV Price River Lower	9,292	Primary	Sandstone	Gas
Sego	9,916		Sandstone	
TD	9,480			

Estimated TD: 10,070' or 200'± below TD

Anticipated BHP: 5,499 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	8 ¾"	Surface – 5600'	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#
Production	7 7/8"	5600' - TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03 **NW/NE, SEC. 3, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (Surface- TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (Surface - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

Surface - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

CHAPITA WELLS UNIT 1182-03
NW/NE, SEC. 3, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03 **NW/NE, SEC. 3, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail:** 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead:** 158 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail:** 1,030 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (Surface - TD):

Production Hole will be drilling with an 8-5/8" bit to 5,800' ± and change to 7-7/8" Hole.
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1182-03 **NW/NE, SEC. 3, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38346	CHAPITA WELLS UNIT 1243-02		SWNE	2	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	14406	13650	1/8/2007			6/1/2007	
Comments: <u>MURD</u> — <u>8/26/08</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39584	CHAPITA WELLS UNIT 1182-03		NWNE	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	14406	13650	6/27/2008			6/1/2007	
Comments: <u>MURD</u> — <u>8/26/08</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37366	CHAPITA WELLS UNIT 1053-01		SWNE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	14406	13650	11/8/2006			6/1/2007	
Comments: <u>MURD</u> <u>hold for 1 month</u> —							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED

AUG 21 2008

DIV. OF OIL, GAS & MINING

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

Title

8/21/2008

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. CHAPITA WELLS UNIT 1182-03
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T9S R22E NWNE 680FNL 1908FEL 40.07035 N Lat, 109.42355 W Lon		9. API Well No. 43-047-39584
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

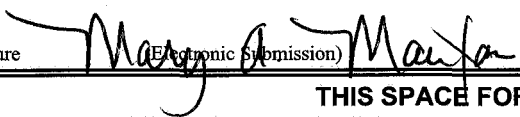
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 10/21/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED

OCT 27 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #64077 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature  (Electronic Submission)	Date 10/22/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

WELL CHRONOLOGY REPORT

Report Generated On: 10-22-2008

Well Name	CWU 1182-03	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39584	Well Class	1SA
County, State	UINTAH, UT	Spud Date	07-28-2008	Class Date	10-21-2008
Tax Credit	N	TVD / MD	10,070/ 10,070	Property #	058348
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,817/ 4,800				
Location	Section 3, T9S, R22E, NWNE, 680 FNL & 1908 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.047

AFE No	303877	AFE Total	2,103,200	DHC / CWC	1,126,900/ 976,300
Rig Contr	TRUE	Rig Name	TRUE #9	Start Date	09-10-2007
09-10-2007	Reported By	SHARON CAUDILL			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA:
			680' FNL & 1908' FEL (NW/NE)
			SECTION 3, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.070347, LONG 109.423547 (NAD 27)
			LAT 40.070383, LONG 109.422864 (NAD 83)
			TRUE #9
			OBJECTIVE: 10070' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A FIELD: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0281
			ELEVATION: 4799.7' NAT GL, 4799.7' PREP GL (DUE TO ROUNDING 4800' IS THE PREP GL), 4817' KB (17')
			EOG BPO WI 100%, NRI 82.046678%
			EOG APO WI 67.2731%, NRI 56.538486%

06-19-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling	\$38,000	Completion	\$0	Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 6/19/08

06-20-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$38,000	Completion	\$0	Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 20% COMPLETE.

06-23-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 30% COMPLETE.

06-24-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

06-25-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

06-26-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 70% COMPLETE.

06-27-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINING PIT TODAY.

06-30-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINING PIT TODAY.

07-01-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO BUCKET TRUCK

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

07-02-2008 Reported By JERRY BARNES

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000
MD	60	TVD	60	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 06/27/08 @ 6:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MIKE LEE W/BLM OF THE SPUD 06/27/08 @ 5:30 PM.

07-13-2008 Reported By LES FARNSWORTH

Daily Costs: Drilling \$226,565 Completion \$0 Daily Total \$226,565

Cum Costs: Drilling \$264,565 Completion \$0 Well Total \$264,565

MD 2,629 TVD 2,629 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIGS DRILLING RIG #2 ON 7/7/2008. DRILLED 12-1/4" HOLE TO 2618' GL. ENCOUNTERED NO WATER. RAN 61 JTS (2612.70') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2629' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 190 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 230 SX (168 BBLs) OF PREMIUM LEAD CEMENT W/ 0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/ 300 SX (63 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/199 BBLs FRESH WATER. BUMPED PLUG W/1100# @ 3:38 AM, 7/11/2008. CHECKED FLOAT, FLOAT HELD. SHUT IN CASING VALVE. BROKE CIRCULATION 190 BBLs INTO FRESH WATER FLUSH. CIRCULATED 35 BBL LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. CIRCULATED APPROXIMATELY 5 BBLs LEAD CEMENT TO PIT. HOLE STOOD FULL WHEN PUMPING STOPPED. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE WITH STRAIGHT HOLE SURVEY. TAGGED CEMENT AT 2556' G.L. PICKED UP TO 2536' AND TOOK SURVEY — 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 90.0 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 89.9 MS= 90.0.

LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/ BLM OF THE SURFACE CASING & CEMENT JOB ON 7/9/2008 @ 11:30 A.M.

07-27-2008 Reported By PETE COMEAU

Daily Costs: Drilling \$38,428 Completion \$0 Daily Total \$38,428

Cum Costs: Drilling \$302,993 Completion \$0 Well Total \$302,993

MD 2,629 TVD 2,629 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: MIRU

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU. SAFETY MEETING WITH WESTROC. MOVE RIG COMPLETE. MOVE & RIG UP MINI CAMP.SPOTTED & PINNED SUB BASE.
18:00	06:00	12.0	WAIT ON DAYLIGHT
2 CREWS FULL & 3 EXTRA MEN, TOTAL 13 MEN WORKED 12 HRS EACH			

NO ACCIDENTS OR INCIDENTS REPORTED

SAFETY MEETING. MOVEING RIG, FORKLIFT SAFETY. PINCH POINTS. DEHYDRATION.

INTEND TO BREAK TOUR TOMORROW. INTEND TO SPUD EARLY MONDAY MORNING.

07-28-2008		Reported By		PETE COMEAU							
DailyCosts: Drilling		\$21,827		Completion		\$0		Daily Total		\$21,827	
Cum Costs: Drilling		\$324,820		Completion		\$0		Well Total		\$324,820	
MD	2,629	TVD	2,629	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: TEST BOPS											
Start	End	Hrs	Activity Description								
06:00	21:30	15.5	FINISH RIG UP, RAISE DERRIK @ 16:30 HRS								
21:30	00:30	3.0	NU & FUNCTION TEST BOP. DAY RATE START AT 21:30 HRS, 7/27/08.								
00:30	05:30	5.0	RIG UP B & C QUICK TEST, TESTER VON LICHFIELD. TEST UPPER & LOWER KELLY VALVE, SAFETY VALVE & INSIDE BOP TO 250 PSI LOW & 5000 PSI HIGH. TEST PIPE RAMS & INSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS, HCR & OUTSIDE KILL LINE VALVE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS CHOKE LINE, CHECK VALVE, UPRIGHT GAUGE VALVE & INSIDE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES, TEST BLIND RAMS, CHOKE LINE, & MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS & SUPERCHOKE TO 250 PSI LOW & 5000 PSI HIGH FOR 10 MINUTES. TEST SURFACE CASING TO 1500 PSI FOR 30 MINUTES. RUN ACCUMULATOR FUNCTION TEST.								
05:30	06:00	0.5	INSTALL 9" WEAR BUSHING FUEL ON LOCATION, 3500 GALLONS, USED 300 GALLONS ON MOVE 3 CREWS WORKED 12 HRS EACH. NO ACCIDENTS OR INCIDENTS REPORTED NO TIME LOST FOR REPAIRS CALLED BLM MR. JAMIE SPARGER AND LEFT MESSAGE REGARDING BOP TEST CALLED BLM MR. CLIFF JOHNSON & LEFT MESSAGE REGARDING BOP TEST RIG ON DAYWORK @ 21:30 07/27/08 RIG MOVE MILES 41 MILES 1 WAY								

07-29-2008		Reported By		PETE COMEAU							
DailyCosts: Drilling		\$52,229		Completion		\$0		Daily Total		\$52,229	
Cum Costs: Drilling		\$377,049		Completion		\$0		Well Total		\$377,049	
MD	4,100	TVD	4,100	Progress	1,471	Days	1	MW	9.4	Visc	28.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 4100'											
Start	End	Hrs	Activity Description								
06:00	10:00	4.0	PICK UP BHA & DRILL PIPE. TO 2550								
10:00	10:30	0.5	INSTALL ROTATING HEAD, BREAK CIRCULATION								
10:30	12:30	2.0	DRILL CEMENT/FLOAT EQUIP. 10' CEMENT ABOVE PLUG. DRILL FLOAT COLLAR @ 2589, CEMENT & SHOE. CLEAN OUT TO 2635 & DRILL 10' NEW HOLE, CIRCULATE CLEAN								
12:30	13:00	0.5	FIT TEST. EMW 11.8. 340 PSI WITH 9.4 PPG MUD @ 2629.								
13:00	13:30	0.5	SURVEY								
13:30	14:30	1.0	DRILL 8.750" HOLE FROM 2629 TO 2718. 89' @ 89 FPH. WOB 14/ 16, ROTARY 55 & MOTOR 71. #1 PUMP ON HOLE @ 130 SPM. 455 GPM @ 1200 PSI. MUD WT 9.4 & VIS 29								

14:30	15:00	0.5 SERVICE RIG, FUNCTION HCR.
15:00	20:30	5.5 DRILL 8.750" HOLE FROM 2718 TO 3309. 591' @ 107 FPH. WOB 18, ROTARY 55 & MOTOR 71. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1400 PSI. MUD WT 9.4 & VIS 30
20:30	21:00	0.5 CIRCULATE HOLE CLEAN FOR SURVEY
21:00	21:30	0.5 SURVEY
21:30	04:30	7.0 DRILL 8.75" HOLE FROM 3309 TO 4029. 720' @ 102 FPH. WOB 18, ROTARY 55 & MOTOR 71. #1 PUMP ON HOLE @ 130 SPM. 455 GPM @ 1600 PSI. MUD WT 9.4 & VIS 30
04:30	05:00	0.5 CIRCULATE HOLE CLEAN FOR SURVEY
05:00	05:30	0.5 SURVEY
05:30	06:00	0.5 DRILL 8.750" HOLE FROM 4029 TO 4100 71' @ 142 FPH. WOB 18, ROTARY 55 & MOTOR 71. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1600 PSI. MUD WT 9.4 & VIS 30 FUEL ON HAND 2700, USED 800

CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED
MORNING TOUR HELD BOP DRILL 1:15 TO SHUT IN
SAFETY MEETINGS. #1 = RIGGING UP, #2 = MAKEING CONNECTIONS
FORMATION TOPS: MAHOGANY SHALE - 2741
UNMANNED GAS DETECTOR ON LOCATION 1 DAY

06:00 06:00 24.0 SPUD 7 7/8" HOLE @ 13:30 HRS, 07/28/08.

07-30-2008 Reported By PETE COMEAU

Daily Costs: Drilling \$74,462 Completion \$778 Daily Total \$75,240

Cum Costs: Drilling \$451,512 Completion \$778 Well Total \$452,290

MD 5,120 TVD 5,120 Progress 1,020 Days 2 MW 9.5 Visc 32.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 5120'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL 8.750" HOLE FROM 4100 TO 4498. 398' @ 99 FPH. WOB 18, ROTARY 55 & MOTOR 71. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1600 PSI. MUD WT 9.4 & VIS 32
10:00	10:30	0.5	SERVICE RIG, CHECK CROWN O MATIC & FUNCTION PIPE RAMS
10:30	13:30	3.0	DRILL 8.750" HOLE FROM 4498 TO 4811. 313' @ 104 FPH. WOB 18, ROTARY 55 & MOTOR 72. #1 PUMP ON HOLE @ 130 SPM. 455 GPM @ 1650 PSI. MUD WT 9.5 & VIS 32
13:30	14:00	0.5	SURVEY
14:00	22:30	8.5	DRILL 8.750" HOLE FROM 4811 TO 5032. 221' @ 26 FPH. WOB 18/20. ROTARY 55 & MOTOR 72. #1 PUMP ON HOLE @ 130 SPM. 455 GPM @ 1650 PSI. MUD WT 9.6+ & VIS 33. HAD 2 TIGHT CONNECTIONS, HAD TO TRIP JARS ON ONE @ 4965.
22:30	23:00	0.5	CIRCULATE HOLE CLEAN FOR BIT TRIP.
23:00	01:30	2.5	TRIP OUT FOR BIT #2 SET CROWN O MATIC FOR TRIP WITH DRILL LINE ON FIRST STAND FUNCTIONED BLIND RAMS
01:30	04:00	2.5	CHANGE BIT & MOTOR. TRIP IN HOLE WITH BIT # 2. HOLE IN GOOD CONDITION.
04:00	06:00	2.0	DRILL 8.750" HOLE FROM 5032 TO 5120. 88' @ 44 FPH, WOB 18, ROTARY 55 & MOTOR 68. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1600 PSI. MUD WT 9.7 & VIS 33 FUEL ON LOCATION 8900, USED 1008 CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: #1 = 100% TIE OFF, #2 = TRIPPING. DAY TOUR HELD BOP DRILL. 90 SECONDS TO SHUT IN FORMATION TOPS: MAHOGANY SHALE - 2741,

UNMANNED GAS DETECTOR ON LOCATION 2 DAYS.

TRIP GAS 2082 UNITS

07-31-2008		Reported By		PETE COMEAU							
DailyCosts: Drilling		\$56,064		Completion		\$0		Daily Total		\$56,064	
Cum Costs: Drilling		\$507,576		Completion		\$778		Well Total		\$508,354	
MD	6,040	TVD	6,040	Progress	920	Days	3	MW	9.7	Visc	34.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 6040'											

Start	End	Hrs	Activity Description								
06:00	12:00	6.0	DRILL 8.750" HOLE FROM 5120 TO 5600. 480' @ 80 FPH. WOB 16, ROTARY 55 & MOTOR 68. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1900 PSI. MUD WT 9.7 & VIS 33.								
12:00	13:00	1.0	CIRCULATE HOLE CLEAN FOR BIT TRIP.								
13:00	13:30	0.5	SURVEY								
13:30	16:00	2.5	TRIP OUT FOR BIT CHANGE. FUNCTION BLIND RAMS								
16:00	18:00	2.0	CHANGE BITS, MOTOR & REAMERS, RUN IN TO 5570. HOLE IN GOOD CONDITION								
18:00	18:30	0.5	FILL PIPE, WASH TO BOTTOM., NO FILL								
18:30	06:00	11.5	DRILL 7.875" HOLE FROM 5600 TO, 6040, 440' @ 38 FPH WOB 16/18, ROTARY 55 & MOTOR 67. #1 PUMP ON HOLE @ 128 SPM. 448 GPM @ 1750 PSI. MUD WT 9.9 & VIS 34.								
			FUEL 7700, USED 1200								
			CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED.								
			SAFETY MEETINGS: #1 - TRIPPING. #2 - PPE								
			FORMATION TOPS: MAHOGANY SHALE - 2741, WASATCH - 5131, CHAPITA WELLS - 5743								
			UNMANNED GAS DETECTOR ON LOCATION 3 DAYS								

08-01-2008		Reported By		PETE COMEAU							
DailyCosts: Drilling		\$195,931		Completion		\$7,605		Daily Total		\$203,536	
Cum Costs: Drilling		\$703,508		Completion		\$8,383		Well Total		\$711,891	
MD	7,070	TVD	7,070	Progress	1,030	Days	4	MW	10.0	Visc	36.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 7070'											

Start	End	Hrs	Activity Description								
06:00	11:30	5.5	DRILL 7.875" HOLE FROM 6040 TO 6279. 239' @ 43 FPH. WOB 16, ROTARY 55 & MOTOR 67. #1 PUMP ON HOLE @ 128 SPM, 448 GPM @ 1750 PSI. MUD WT 10.1 & VIS 34								
11:30	12:00	0.5	SERVICE RIG, FUNCTION PIPE RAMS. CHECK CROWN O MATIC								
12:00	06:00	18.0	DRILL 7.875" HOLE FROM 6279 TO 7070. 791' @ 44 FPH. WOB 16, ROTARY 55 & MOTOR 67. #1 PUMP ON HOLE @ 128 SPM. 448 GPM @ 1850 PSI. MUD WT 10.5 & VIS 34								
			FUEL ON LOCATION, 6600, USED 1100								
			CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED								
			SAFETY MEETINGS: #1 - MIXING MUD. #2 - KEEPING WORKPLACE CLEAN								
			FORMATION TOPS: MAHOGANY SHALE - 2741, WASATCH - 5131, CHAPITA WELLS - 5743, BUCK CANYON - 6413,								
			UNMANNED GAS DETECTOR ON LOCATION 4 DAYS								

08-02-2008	Reported By		PETE COMEAU								
Daily Costs: Drilling		\$31,452		Completion	\$849		Daily Total	\$32,301			
Cum Costs: Drilling		\$734,960		Completion	\$9,232		Well Total	\$744,192			

MD 7,800 TVD 7,800 Progress 710 Days 5 MW 10.6 Visc 36.0

Formation : PBTB : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING @ 7800'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL 7.875" HOLE FROM 7070 TO 7315. 245' @ 37 FPH. WOB 16, ROTARY 55 & MOTOR 68. #1 PUMP ON HOLE @ 128 SPM, 448 GPM @ 1900 PSI. MUD WT 10.6 & VIS 34.
12:30	13:00	0.5	RIG SERVICE, CHECK CROWN O MATIC & HCR
13:00	18:00	5.0	DRILL 7.875" HOLE FROM 7315 TO 7472. 157' @ 31 FPH. WOB 18, ROTARY 55 & MOTOR 68. #1 PUMP ON HOLE @ 126 SPM, 441 GPM @ 2000 PSI. MUD WT 10.7 & VIS 34
18:00	20:00	2.0	WORK TIGHT HOLE. HAD TO JAR FREE & WORK PIPE SEVERAL TIMES TO GET RID OF IT.
20:00	06:00	10.0	DRILL 7.875" HOLE FROM 7472 TO 77, WOB 18, ROTARY 55 & MOTOR 68. #1 PUMP ON HOLE @ 126 SPM. 441 GPM @ 2050 PSI. MUD WT 10.9 & VIS 34. FUEL ON LOCATION: 5300, USED 13200 CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS, #1 - WORKING STUCK PIPE, #2 = POWER WASHER FORMATION TOPS: MAHOGANY SHALE - 2741, WASATCH - 5131, CHAPITA WELLS - 5743, BUCK CANYON - 6413, NORTH HORN - 7139, PRICE RIVER - 7743. UNMANNED GAS DETECTOR ON LOCATION 5 DAYS

08-03-2008 Reported By PETE COMEAU

Daily Costs: Drilling	\$64,124	Completion	\$1,048	Daily Total	\$65,172
Cum Costs: Drilling	\$799,085	Completion	\$10,280	Well Total	\$809,365

MD 8,125 TVD 8,125 Progress 325 Days 6 MW 10.9 Visc 36.0

Formation : PBTB : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8125'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL 7.875" HOLE FROM 7800 TO 7816' 16" @ 16 FPH. WOB 18, ROTARY 55 & MOTOR 67. #1 PUMP ON HOLE @ 126 SPM. 441 GPM @ 1900 PSI. MUD WT 10.9 & VIS 34
07:00	07:30	0.5	SERVICE RIG, CHECK CROWN O MATIC & FLOOR VALVES
07:30	14:00	6.5	DRILL 7.875" HOLE FROM 7816 TO 7964. 148' @ 22 FPH. WOB 16/18. ROTARY 55 & MOTOR 67. #1 PUMP ON HOLE @ 126 SPM. 441 GPM @ 1950 PSI. MUD WT 11.0 & VIS 36
14:00	15:00	1.0	CIRCULATE HOLE CLEAN FOR BIT TRIP.
15:00	15:30	0.5	SURVEY
15:30	18:00	2.5	TRIP FOR NEW BIT # 4 FUNCTION BLIND RAMS
18:00	18:30	0.5	CHANGE OUT MOTORS, BITS
18:30	22:00	3.5	TRIP IN HOLE WITH BIT # 4. FILL PIPE @ 4000'
22:00	22:30	0.5	WASH 60' TO BOTTOM, NO FILL
22:30	06:00	7.5	DRILL 7.875" HOLE FROM 7964 TO 8125, 161' @ 21 FPH. WOB 16, ROTARY 54 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 437 GPM @ 1925 PSI. MUD WT 11.1 & VIS 36 FUEL ON LOCATION 8500, USED 1300 CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS. #1 - TRIPPING, #2 = FORKLIFT SAFETY FORMATION TOPS: MAHOGANY SHALE - 2741, WASATCH - 5131, CHAPITA WELLS - 5743, BUCK CANYON - 6413, NORTH HORN - 7139, PRICE RIVER - 7743. UNMANNED GAS DETECTOR ON LOCATION 7 DAYS

08-04-2008 Reported By PETE COMEAU

Daily Costs: Drilling	\$35,899	Completion	\$1,048	Daily Total	\$36,947
-----------------------	----------	------------	---------	-------------	----------

Cum Costs: Drilling \$828,518 **Completion** \$11,328 **Well Total** \$839,846
MD 8,600 **TVD** 8,600 **Progress** 475 **Days** 7 **MW** 11.0 **Visc** 36.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 8600'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 7.875" HOLE FROM 8125 TO 8285. 160' @ 26 FPH. WOB 16/18. ROTARY 55 & MOTOR 71. #1 PUMP ON HOLE @ 126 SPM. 441 GPM @ 1850 PSI. MUD WT 11.1 & VIS 36.
12:00	12:30	0.5	SERVICE RIG, CHECK CROWN O MATIC. FUNCTION PIPE RAMS.
12:30	06:00	17.5	DRILL 7.875" HOLE FROM 8285 TO 8600. 315' @ 18 FPH. WOB 16/20. ROTARY 55 & MOTOT 69. #1 PUMP ON HOLE @ 125 SPM. 437 GPM @ 1900 PSI. MUD WT 11.2 & VIS 36.
			FUEL ON LOCATION 7300, USED 1200
			CREWS FULL, NO INCIDENTS OR ACCIDENTS REPORTED
			SAFETY MEETINGS, #1 - SANDING & GRINDING. #2 - PUTTING PIPE IN V DOOR.
			FORMATION TOPS: MAHOGANY SHALE - 2741. WASATCH - 5131. CHAPITA WELLS - 5743. BUCK CANYON - 6413. NORTH HORN - 7139. PRICE RIVER - 7743. PRICE RIVER (M) - 8522
			UNMANNED GAS DETECTOR ON LOCATION 7 DAYS

08-05-2008 **Reported By** PETE COMEAU

Daily Costs: Drilling \$41,221 **Completion** \$1,907 **Daily Total** \$43,128
Cum Costs: Drilling \$869,740 **Completion** \$13,235 **Well Total** \$882,975
MD 8,839 **TVD** 8,839 **Progress** 239 **Days** 8 **MW** 11.3 **Visc** 36.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 8839'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL 7.875" HOLE FROM 8600 TO 8696. 96' @ 14 FPH. WOB 20, ROTARY 55 & MOTOR 69. #1 PUMP ON HOLE @ 125 SPM, 437 GPM @ 1950 PSI. MUD WT 11.3 & VIS 36
12:30	13:30	1.0	CIRCULATE HOLE CLEAN FOR BIT TRIP
13:30	14:00	0.5	SURVEY
14:00	17:30	3.5	TRIP FOR NEW BIT# 5. SET CROWN O MATIC FOR TRIP WITH 1ST STAND. FUNCTION BLIND RAMS
17:30	18:00	0.5	LAY DOWN REAMERS, MOTOR, CHANGE OUT BITS
18:00	19:00	1.0	TRIP IN HOLE WITH BIT # 5.. STOP @ 2600' TO CUT DRILL LINE
19:00	20:00	1.0	SLIP & CUT DRILL LINE
20:00	22:00	2.0	TRIP IN HOLE TO 8636
22:00	22:30	0.5	WASH & REAM 60' TO BOTTOM, NO FILL
22:30	06:00	7.5	DRILL 7.875" HOLE FROM 8696 TO 8839, 143' @ 19 FPH. WOB 16, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 437 GPM @ 2000 PSI. MUD WT 11.4 & VIS 36
			FUEL ON LOCATION 6300, USED 1000
			CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED
			SAFETY METINGS, #1 - POWER WASHER, #2 - TRIPPING
			FORMATION TOPS, MAHOGANY SHALE 2741. WASATCH - 5131, CHAPITA WELLS - 5743. BUCK CANYON - 6413, NORTH HORN - 7139. PRICE RIVER - 7743. PRICE RIVER (M) 8522.
			UNMANNED GAS DETECTOR ON LOCATION 8 DAYS

08-06-2008 **Reported By** PETE COMEAU/DAVID GREESON

Daily Costs: Drilling \$30,306 **Completion** \$0 **Daily Total** \$30,306
Cum Costs: Drilling \$900,047 **Completion** \$13,235 **Well Total** \$913,282
MD 9,373 **TVD** 9,373 **Progress** 534 **Days** 9 **MW** 11.2 **Visc** 36.0

Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING AT 9373'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL FROM 8839' TO 8871' (32') 32' FPH. WOB 16-20, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2000 PSI. MUD WT 11.3 & VIS 36
07:00	07:30	0.5	SERVICE RIG. FUNCTION PIPE RAMS, HCR VALVE AND COM DRILLING.
07:30	06:00	22.5	DRILL FROM 8871' TO 9373' (502') 22' FPH. WOB 18-24, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2000 PSI. MUD WT 11.4 & VIS 36 FUEL ON LOCATION 4800, USED 1500 FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: RIG SERVICE, 100% TIE OFF ABOVE 10'. FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743' BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522', LOWER PRICE 9292'. UNMANNED GAS DETECTOR ON LOCATION 9 DAYS

08-07-2008 Reported By DAVID GREESON

Daily Costs: Drilling	\$29,592	Completion	\$0	Daily Total	\$29,592
Cum Costs: Drilling	\$929,639	Completion	\$13,235	Well Total	\$942,874
MD	9,687	TVD	9,687	Progress	314
Days	10	MW	11.3	Visc	36.0

Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9,687'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL FROM 9373' TO 9405' (32') 9' FPH. WOB 18-24, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2100 PSI. MUD WT 11.4 & VIS 36 FUEL ON LOCATION 4800, USED 1500 FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY METINGS: RIG SERVICE, 100% TIE OFF ABOVE 10'. FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743' BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522', LOWER PRICE 9292'. UNMANNED GAS DETECTOR ON LOCATION 9 DAYS
09:30	10:00	0.5	SERVICE RIG. CHECK COM DRILLING. BOP DRILL.
10:00	06:00	20.0	DRILL FROM 9405' TO 9687' (282') 14' FPH. WOB 18-26, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2150 PSI. MUD WT 11.4 & VIS 36 FUEL ON LOCATION 3300, USED 1500 FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY METINGS: XO ROT. HEAD./PROPER PPE FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743' BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522', LOWER PRICE 9292'. UNMANNED GAS DETECTOR ON LOCATION 10 DAYS

08-08-2008 Reported By DAVID GREESON

Daily Costs: Drilling	\$58,288	Completion	\$0	Daily Total	\$58,288
Cum Costs: Drilling	\$987,927	Completion	\$13,235	Well Total	\$1,001,162
MD	10,050	TVD	10,050	Progress	363
Days	11	MW	11.4	Visc	36.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 10,050'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	SERVICE RIG. CHECK COM DRILLING.
06:30	10:00	3.5	DRILL FROM 9687' TO 9718' (31') 9' FPH. WOB 18-26, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2150 PSI. MUD WT 11.4 & VIS 36
10:00	14:30	4.5	TRIP OUT OF HOLE @ 9718'. SET COM TRIPPING. NO HOLE PROBLEMS.
14:30	15:00	0.5	LD MM AND BIT. PU 0.16 MM AND Q506 7.875" BIT.
15:00	19:00	4.0	TRIP IN HOLE WITH NEW BIT. KELLY UP AT 9680'. 5' HOLE FILL. NO HOLE TROUBLE. PROPER DISPLACEMENT WAS OBSERVED.
19:00	06:00	11.0	DRILL FROM 9718' TO 10050' (332') 30' FPH. WOB 12-18K, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2200 PSI. MUD WT 11.6 & VIS 36 FUEL RECIEVED 2000 GL. ON LOCATION 4600, USED 900 FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED CHECK COM DRILLING AND TRIPPING. SAFETY METINGS: TOOH/AIR HOIST SAFETY. FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743' BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522', LOWER PRICE 9292', SEGO 9916' UNMANNED GAS DETECTOR ON LOCATION 11 DAYS

08-09-2008 Reported By DAVID GREESON

Daily Costs: Drilling	\$38,961	Completion	\$125,591	Daily Total	\$164,553
Cum Costs: Drilling	\$1,026,889	Completion	\$138,826	Well Total	\$1,165,716
MD	10,070	TVD	10,070	Progress	20
Days	12	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP TO ND BOPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL FROM 10050' TO 10070' (20') 20' FPH. WOB 12-18K, ROTARY 55 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM. 438 GPM @ 2200 PSI. MUD WT 11.6 & VIS 36. REACHED TD @ 07:00 HRS, 8/8/08. CASING POINT @ 11:00 8/8/08. FUEL ON LOCATION 4600, USED 900 FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY METINGS: LD DP AND BHA/RUNNING CASING. FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743' BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522', LOWER PRICE 9292', SEGO 9916' UNMANNED GAS DETECTOR ON LOCATION 12 DAYS
07:00	08:00	1.0	CIRCULATE BOTTOMS UP.
08:00	10:00	2.0	SHORT TRIP 20 STANDS. NO HOLE TROUBLE, NO FILL ON BOTTOM.
10:00	11:00	1.0	CIRCULATE BOTTOMS UP. RU KIMZEY LD MACHINE, HELD SAFETY MEETING WITH ALL CREWS PRESENT.
11:00	18:00	7.0	LD DP AND BHA.
18:00	19:00	1.0	RU KIMZEY CASING CREW. PULL WEAR BUSHING. HELD SAFETY MEETING OVER RUNNING CASING W/ ALL CREWS PRESENT.

19:00 03:00 8.0 SET 234 FULL JTS. 4.5", 11.6#, P-110, LTC CASING AND 2 MARKER JTS. OF 4.5", P-110, 11.6# AS FOLLOWS: FLOAT SHOE SET @ 10,062.8', 1 JT. CASING, 1 FLOAT COLLAR SET @ 10,017', RAN 63 JTS. OF P-110 CASING, 1 MARKER JT. SET @ 7342.36', RAN 61 JTS. OF P-110 CASING, 2ND MARKER JT. SET @ 4722.24', RAN 100 JTS. OF P-110 CASING. PICKED UP JT. #235 TO TAG BOTTOM AND THEN LAYED IT BACK DOWN. PICKED UP LANDING JOINT W/ MANDREL FLUTED CASING HANGER ASSEMBLY AND LANDED IT IN WELLHEAD WITHOUT RECIPROCATING. RAN CENTRALIZERS AS FOLLOWS: 1-5' ABOVE THE SHOE JOINT, ANOTHER ON TOP OF JOINT NUMBER 2, THEN ONE EVERY OTHER JOINT TO 4742'.

03:00 04:00 1.0 RD KIMZEY CSG. CREW AND LD MACHINE. RU SCHLUMBERGER CEMENTERS. HELD SAFETY MEETING OVER CEMENTING W/ ALL CREWS PRESENT.

04:00 06:00 2.0 UNMANNED GAS DETECTOR ON LOCATION 12 DAYS. PRESSURE TEST LINES TO 5000 PSI FOR 5 MIN. CEMENT AS FOLLOWS: 20 BBLS CHEMICAL WASH, 20 BBLS. FRESH WATER, PUMPED 208 BBLS, 590 SACKS OF 35/65 POZ 12.5 LEAD CEMENT W/ 5% EXTENDER, 2% EXPANDING CE, 0.75% FLUID LOSS, 0.2% ANTIFOAM, 0.3% RETARDER, 0.2% DISPERSANT, 0.125 LB/SK LCM, 1.98 FT3/SK., 10.948 GL/SK WATER. PUMPED LEAD @ 6 BPM. PUMPED 391 BBLS, 1700 SACKS OF 50:50 POZ G 14.1 PPG TAIL W/ 2% EXTENDER, 0.1% ANTIFOAM, 0.2% FLUID LOSS, 0.2% DISPERSANT, 0.1% RETARDER, 5.979 GL/SK WATER, 1.29 FT3/SK. PUMPED TAIL CEMENT @ 6 BPM.; PUMPED 156 BBLS. FRESH WATER TO DISPLACE CASING.

TD WELL 10,070' @ 07:00 8/8/08. CASING POINT @ 11:00 8/8/08.

FUEL ON LOCATION 4600, USED 900

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED

SAFETY METINGS: LD DP AND BHA/RUNNING CASING.

FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743'

BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522',

LOWER PRICE 9292', SEGO 9916'

UNMANNED GAS DETECTOR ON LOCATION 12 DAYS

08-10-2008 Reported By DAVID GREESON

Daily Costs: Drilling	\$44,327	Completion	\$67,607	Daily Total	\$111,934
Cum Costs: Drilling	\$1,071,216	Completion	\$206,433	Well Total	\$1,277,650

MD	10,070	TVD	10,070	Progress	0	Days	13	MW	0.0	Visc	0.0
----	--------	-----	--------	----------	---	------	----	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:30	0.5	FINISHED CEMENT JOB AS FOLLOWS: 20 BBLS CHEMICAL WASH, 20 BBLS. FRESH WATER, PUMPED 208 BBLS, 590 SACKS OF 35/65 POZ 12.5 LEAD CEMENT W/ 5% EXTENDER, 2% EXPANDING CE, 0.75% FLUID LOSS, 0.2% ANTIFOAM, 0.3% RETARDER, 0.2% DISPERSANT, 0.125 LB/SK LCM, 1.98 FT3/SK., 10.948 GL/SK WATER. PUMPED LEAD @ 6 BPM. PUMPED 391 BBLS, 1700 SACKS OF 50:50 POZ G 14.1 PPG TAIL W/ 2% EXTENDER, 0.1% ANTIFOAM, 0.2% FLUID LOSS, 0.2% DISPERSANT, 0.1% RETARDER, 5.979 GL/SK WATER, 1.29 FT3/SK. PUMPED TAIL CEMENT @ 6 BPM.; PUMPED 156 BBLS. FRESH WATER TO DISPLACE CASING. BUMP PLUG WITH 3600 PSI, 1200 OVER PUMPING PRESSURE. HELD PRESSURE FOR 2 MIN. PLUG HELD.
06:30	07:30	1.0	RD SCHLUMBERGER CEMENTERS SERVICE TOOLS. WAIT ONE HOUR BEFORE REMOVING CEMENT HEAD FROM CASING.
07:30	08:00	0.5	SET PACK OFF RING WITH FMC TECH. HAND. TESTED TO 5000 PSI FOR 5 MIN.
08:00	11:00	3.0	ND BOP AND CLEAN MUD TANKS.
11:00	06:00	19.0	RDRT. WESTROC TRUCKING ARRIVED @ 10:00 8/9/08. LD DERRICK @ 14:00 8/9/08. MOVE RIG FROM THE CWU 1182-3 TO THE CWU 1221-2, 3.1 MILES.
			FUEL ON LOCATION 3000, USED 600
			FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED

SAFETY METINGS: ND BOP/RDRT.

FORMATION TOPS: MAHOGANY SHALE 2741', WASATCH 5131', CHAPITA WELLS 5743'

BUCK CANYON 6413', NORTH HORN 7139', PRICE RIVER 7743', PRICE RIVER (M) 8522',

LOWER PRICE 9292', SEGO 9916'

UNMANNED GAS DETECTOR RELEASED AFTER 12 DAYS

06:00

RELEASE RIG AT 11:00 HRS, 8/9/08.

CASING POINT COST \$1,042,805

08-16-2008	Reported By	MCCURDY									
Daily Costs: Drilling	\$0	Completion	\$48,334	Daily Total	\$48,334						
Cum Costs: Drilling	\$1,071,216	Completion	\$254,767	Well Total	\$1,325,984						
MD	10,070	TVD	10,070	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: WO COMPLETION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	8/12/08 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 600'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER.								

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

09-26-2008	Reported By	DAN LINDSEY									
Daily Costs: Drilling	\$0	Completion	\$37,159	Daily Total	\$37,159						
Cum Costs: Drilling	\$1,071,216	Completion	\$291,926	Well Total	\$1,363,143						
MD	10,070	TVD	10,070	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation :	PRICE RIVER/SEGO	PBTD : 0.0			Perf :	8902-9937		PKR Depth : 0.0			
Activity at Report Time: FRAC											
Start	End	Hrs	Activity Description								
06:00	19:00	13.0	RU LONE WOLF WL. PERFORATED SEGO FROM 9935-37, 9931-32, 9926-27, 9920-21, 9915-16, 9896-98, 9889-90, 9877-78 & 9847-49 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 4165 GALS WF116 PAD, 3049 GALS YF116ST PAD, 33575 GALS YF116ST & 108000# 20/40 SAND @ 0.5-5 PPG. MTP 7657 PSI. MTR 51.8 BPM. ATP 5497 PSI. ATR 47.8 BPM. ISIP 3400 PSI. RD SCHLUMBERGER.								
RUWL. SET 10K CFP @ 9820. PERFORATED LPR FROM 9801-02, 9793-94, 9771-72, 9762-63, 9711-12, 9690-91, 9650-51, 9607-08, 9592-93, 9574-75, 9557-58 & 9550-51 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2074 GALS YF116ST PAD, 33580 GALS YF116ST & 108600# 20/40 SAND @ 0.5-5 PPG. MTP 8187 PSI. MTR 52.2 BPM. ATP 5838 PSI. ATR 47.4 BPM. ISIP 2980 PSI. RD SCHLUMBERGER.											
RUWL. SET 10K CFP @ 9450. PERFORATED LPR/MPR FROM 9427-28, 9417-18, 9385-86, 9369-70, 9338-39, 9323-24, 9303-04, 9278-79, 9273-74, 9245-46, 9228-29 & 9198-99 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 3830 GALS YF116ST PAD, 35810 GALS YF116ST & 109700# 20/40 SAND @ 0.5-4 PPG. MTP 8552 PSI. MTR 48.9 BPM. ATP 6743 PSI. ATR 36.4 BPM. ISIP 3580 PSI. RD SCHLUMBERGER.											

RUWL. SET 10K CFP @ 9180. PERFORATED MPR 9163-64, 9158-59, 9152-53, 9147-48, 9119-20, 9098-9100, 9088-89, 9075-76, 9058-60 & 9043-44 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2095 GALS YF116ST PAD, 41087 GALS YF116ST & 137800# 20/40 SAND @ 0.5-5 PPG. MTP 7859 PSI. MTR 52.9 BPM. ATP 5768 PSI. ATR 48.3 BPM. ISIP 3230 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 9010. PERFORATED MPR 8986-88, 8976-77, 8964-66, 8955-56, 8948-49, 8932-34, 8921-22 & 8902-04 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2095 GALS YF116ST PAD, 41087 GALS YF116ST & 145000# 20/40 SAND @ 0.5-5 PPG. MTP 7859 PSI. MTR 52.9 BPM. ATP 5768 PSI. ATR 48.3 BPM. ISIP 3050 PSI. RD SCHLUMBERGER. SDFN.

09-27-2008 Reported By DAN LINDSEY

Daily Costs: Drilling	\$0	Completion	\$394,496	Daily Total	\$394,496
Cum Costs: Drilling	\$1,071,216	Completion	\$686,422	Well Total	\$1,757,639

MD	10,070	TVD	10,070	Progress	0	Days	16	MW	0.0	Visc	0.0
-----------	--------	------------	--------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : PRICE RIVER/SEGO **PBTD :** 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	17:00	11.0	RUWL. TAGGED SAND @ 8850'. SET 10K CFP @ 8848'. PERFORATED MPR FROM 8837-38, 8829-30, 8817-18, 8785-86, 8777-78, 8766-67, 8745-46, 8732-33, 8696-97, 8691-92 & 8685-86 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2070 GALS YF116ST PAD, 47601 GALS YF116ST & 164400# 20/40 SAND @ 0.5-5 PPG. MTP 7178 PSI. MTR 53.6 BPM. ATP 5288 PSI. ATR 51.0 BPM. ISIP 3300 PSI. RD SCHLUMBERGER.
-------	-------	------	---

RUWL. SET 10K CFP @ 8665. PERFORATED MPR FROM 8645-46, 8637-38, 8630-31, 8622-23, 8595-96, 8586-87, 8580-81, 8565-66, 8541-42, 8531-32, 8515-16 & 8507-08 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2069 GALS YF116ST PAD, 51318 GALS YF116ST, & 178900# 20/40 SAND @ 0.5-5 PPG. MTP 7176 PSI. MTR 54.4 BPM. ATP 4956 PSI. ATR 51.5 BPM. ISIP 2850 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8470. PERFORATED UPR FROM 8451-53, 8438-40, 8420-21, 8373-75, 8364-65, 8355-57 & 8344-46 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2071 GALS YF116ST PAD, 39769 GALS YF116ST & 131100# 20/40 SAND @ 0.5-5 PPG. MTP 6817 PSI. MTR 52.3 BPM. ATP 5282 PSI. ATR 48.5 BPM. ISIP 3650 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8315. PERFORATED UPR FROM 8291-93, 8261-63, 8187-88, 8182-83, 8174-75, 8153-54, 8120-21, 8115-16, 8093-94 & 8086-87 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2068 GALS YF116ST PAD, 33789 GALS YF116ST & 108800# 20/40 SAND @ 0.5-5 PPG. MTP 7362 PSI. MTR 54.3 BPM. ATP 4970 PSI. ATR 50.7 BPM. ISIP 2780 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8040. PERFORATED UPR FROM 8019-20, 7994-95, 7934-35, 7913-14, 7908-09, 7877-78, 7866-67, 7850-51, 7839-40, 7824-25, 7779-80, 7760-61, 7750-51 & 7734-35 @ 2 SPF & 180° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2074 GALS YF116ST PAD, 53662 GALS YF116ST & 170900# 20/40 SAND @ 0.5-5 PPG. MTP 7110 PSI. MTR 54.7 BPM. ATP 4259 PSI. ATR 51.7 BPM. ISIP 2200 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7646. BLED OFF PRESSURE. RDWL. 11868 BLWTR. SDFN.

10-03-2008 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$35,630	Daily Total	\$35,630
Cum Costs: Drilling	\$1,071,216	Completion	\$722,052	Well Total	\$1,793,269

MD 10,070 TVD 10,070 Progress 0 Days 17 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU ROYAL RIG #1. ND FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 7646'. RU TO DRILL OUT PLUGS. SDFN.

10-04-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$56,789 Daily Total \$56,789

Cum Costs: Drilling \$1,071,216 Completion \$778,841 Well Total \$1,850,058

MD 10,070 TVD 10,070 Progress 0 Days 18 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: RDMOSU, FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7646', 8040', 8315', 8470', 8665', 8848', 9010', 9180', 9450', 9820'. RIH. CLEANED OUT TO PBTD @ 10017' LANDED TBG AT 8443.49' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 16 HRS. 24/64 CHOKE. FTP- 1275 PSIG, CP- 1275 PSIG. 87 BFPH. RECOVERED 1397 BBLS, 10471 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'

1 JT 2-3/8 4.7# N-80 TBG 31.83'

XN NIPPLE 1.10'

267 JTS 2-3/8 4.7# N-80 TBG 8392.49'

BELOW KB 17.00'

LANDED @ 8443.49 KB

10-05-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,565 Daily Total \$2,565

Cum Costs: Drilling \$1,071,216 Completion \$781,406 Well Total \$1,852,623

MD 10,070 TVD 10,070 Progress 0 Days 19 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64 CHOKE. FTP- 1250 PSIG, CP- 1350 PSIG. 61 BFPH. RECOVERED 1480 BBLS, 8991 BLWTR.

10-06-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,565 Daily Total \$2,565

Cum Costs: Drilling \$1,071,216 Completion \$783,971 Well Total \$1,855,188

MD 10,070 TVD 10,070 Progress 0 Days 20 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64 CHOKE. FTP- 1150 PSIG, CP- 1775 PSIG. 47 BFPH. RECOVERED 1124 BBLS, 7867 BLWTR.

10-07-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
Cum Costs: Drilling \$1,071,216 Completion \$786,536 Well Total \$1,857,753

MD 10,070 TVD 10,070 Progress 0 Days 21 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 2200 PSIG. 38 BFPH. RECOVERED 915 BLLW. 6952 BLWTR.

10-08-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
Cum Costs: Drilling \$1,071,216 Completion \$789,101 Well Total \$1,860,318

MD 10,070 TVD 10,070 Progress 0 Days 22 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1925 PSIG. 29 BFPH. RECOVERED 714 BLW. 6238 BLWTR.

10-09-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
Cum Costs: Drilling \$1,071,216 Completion \$791,666 Well Total \$1,862,883

MD 10,070 TVD 10,070 Progress 0 Days 23 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 0.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1750 PSIG. 23 BFPH. RECOVERED 555 BLW. 5683 BLWTR.

10-10-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
Cum Costs: Drilling \$1,071,216 Completion \$794,231 Well Total \$1,865,448

MD 10,070 TVD 10,070 Progress 0 Days 24 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO PBTD : 10017.0

Perf : 7734-9937

PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 775 PSIG. CP 1600 PSIG. 20 BFPH. RECOVERED 488 BLW. 5195 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 10/9/08

10-22-2008 Reported By DUANE COOK

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$1,071,216 Completion \$794,231 Well Total \$1,865,448

MD 10,070 TVD 10,070 Progress 0 Days 25 MW 0.0 Visc 0.0

Formation : PRICE RIVER/SEGO **PBTD :** 10017.0**Perf :** 7734-9937**PKR Depth :** 0.0**Activity at Report Time:** INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION - OPENING PRESSURE: TP 1300 PSIG & CP 2700 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 14:00 HRS, 10/21/08. FLOWED 222 MCFD RATE ON 10/64" CHOKE. STATIC 290. QGM METER #7842.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrvr. Other _____						6. If Indian, Allottee or Tribe Name	
						7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI	
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com						8. Lease Name and Well No. CHAPITA WELLS UNIT 1182-03	
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202				3a. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43-047-39584	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NWNE Lot 2 680FNL 1908FEL 40.07035 N Lat, 109.42355 W Lon At top prod interval reported below NWNE Lot 2 680FNL 1908FEL 40.07035 N Lat, 109.42355 W Lon At total depth NWNE Lot 2 680FNL 1908FEL 40.07035 N Lat, 109.42355 W Lon						10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE	
						11. Sec., T., R., M., or Block and Survey or Area Sec 3 T9S R22E Mer SLB	
						12. County or Parish UINTAH	13. State UT
14. Date Spudded 06/27/2008		15. Date T.D. Reached 08/08/2008		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/21/2008		17. Elevations (DF, KB, RT, GL)* 4800 GL	
18. Total Depth: MD TVD 10070		19. Plug Back T.D.: MD TVD 10017		20. Depth Bridge Plug Set: MD TVD			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR Temp				22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			

23. Casing and Liner Record (Report all strings set in well)

[illegible]

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8443							



25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7734	9937	9847 TO 9937		3	
B)			9550 TO 9802		3	
C)			9198 TO 9428		3	
D)			9043 TO 9164		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9847 TO 9937	40,954 GALS GELLED WATER & 108,000# 20/40 SAND
9550 TO 9802	35,819 GALS GELLED WATER & 108,600# 20/40 SAND
9198 TO 9428	39,805 GALS GELLED WATER & 109,700# 20/40 SAND
9043 TO 9164	43,347 GALS GELLED WATER & 137,800# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/21/2008	10/27/2008	24		40.0	406.0	100.0			FLows FROM Well
Choke Size	Tbg. Press. Fwlg. 1400 SI	Csg. Press. 2300.0	24 Hr. Rate 	Oil BBL 40	Gas MCF 406	Water BBL 100	Gas:Oil Ratio	Well Status	
10/64"								PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Fwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #64654 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

MISSION #04034 VERIFIED BY THE BEM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED

NOV 17 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	7734	9937		GREEN RIVER	2126
				MAHOGANY	2741
				UTELAND BUTTE	4948
				WASATCH	5124
				CHAPITA WELLS	5726
				BUCK CANYON	6397
				PRICE RIVER	7725
				MIDDLE PRICE RIVER	8525

32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

Item #40: The sacks of cement used for the production casing is for both the 8.75" hole and the 7.875" hole.

33. Circle enclosed attachments:

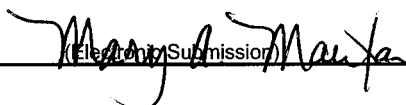
- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #64654 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTASTitle REGULATORY ASSISTANT

Signature


Date 11/11/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1182-03 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8902-8988	3/spf
8685-8838	3/spf
8507-8646	3/spf
8344-8453	3/spf
8086-8293	3/spf
7734-8020	2/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8902-8988	43,347 GALS GELLED WATER & 145,000# 20/40 SAND
8685-8838	49,836 GALS GELLED WATER & 164,400# 20/40 SAND
8507-8646	53,552 GALS GELLED WATER & 178,900# 20/40 SAND
8344-8453	42,005 GALS GELLED WATER & 131,100# 20/40 SAND
8086-8293	36,022 GALS GELLED WATER & 108,800# 20/40 SAND
7734-8020	55,901 GALS GELLED WATER & 170,900# 20/40 SAND

Perforated the Sego from 9847-49', 9877-78', 9889-90', 9896-98', 9915-16', 9920-21', 9926-27', 9931-32', 9935-37' w/ 3 spf.

Perforated the Lower Price River from 9550-51', 9557-58', 9574-75', 9592-93', 9607-08', 9650-51', 9690-91', 9711-12', 9762-63', 9771-72', 9793-94', 9801-02' w/ 3 spf.

Perforated the Lower/Middle Price River from 9198-99', 9228-29', 9245-46', 9273-74', 9278-79', 9303-04', 9323-24', 9338-39', 9369-70', 9385-86', 9417-18', 9427-28' w/ 3 spf.

Perforated the Middle Price River from 9043-44', 9058-60', 9075-76', 9088-89', 9098-9100', 9119-20', 9147-48', 9152-53', 9158-59', 9163-64' w/ 3 spf.

Perforated the Middle Price River from 8902-04', 8921-22', 8932-34', 8948-49', 8955-56', 8964-66', 8976-77', 8986-88' w/ 3 spf.

Perforated the Middle Price River from 8685-86', 8691-92', 8696-97', 8732-33', 8745-46', 8766-67', 8777-78', 8785-86', 8817-18', 8829-30', 8837-38' w/ 3 spf.

Perforated the Middle Price River from 8507-08', 8515-16', 8531-32', 8541-42', 8565-66', 8580-81', 8586-87', 8595-96', 8622-23', 8630-31', 8637-38', 8645-46' w/ 3 spf.

Perforated the Upper Price River from 8344-46', 8355-57', 8364-65', 8373-75', 8420-21', 8438-40', 8451-53' w/ 3 spf.

Perforated the Upper Price River from 8086-87', 8093-94', 8115-16', 8120-21', 8153-54', 8174-75', 8182-83', 8187-88', 8261-63', 8291-93' w/ 3 spf.

Perforated the Upper Price River from 7734-35', 7750-51', 7760-61', 7779-80', 7824-25', 7839-40', 7850-51', 7866-67', 7877-78', 7908-09', 7913-14', 7934-35', 7994-95', 8019-20' w/ 2 spf.

32. FORMATION (LOG) MARKERS

Lower Price River	9379
Sego	9913

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1182-03

API number: 4304739584

Well Location: QQ LOT2 Section 3 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		NO WATER	

Formation tops: (Top to Bottom)

1		2		3	
4		5		6	
7		8		9	
10		11		12	

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 11/11/2008